

BEFORE THE BOARD OF OIL, GAS, AND MINING
DEPARTMENT OF NATURAL RESOURCES
in and for the STATE OF UTAH

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IN THE MATTER OF THE APPROVAL OF)
THE NOTICE OF INTENT AND RECLAMATION)
PLAN SUBMITTED BY ATLAS MINERALS,)
VELVET MINE, SAN JUAN COUNTY, UTAH)

ORDER TO SHOW CAUSE
No. ACT/037/040

THE STATE OF UTAH TO ALL OPERATORS TAKERS OF PRODUCTION, MINERALS AND ROYALTY OWNERS, AND PARTICULARLY ALL PERSONS INTERESTED IN TOWNSHIP 31 SOUTH, RANGE 25 EAST, SLBM, SAN JUAN COUNTY, UTAH.

Notice is hereby given that tentative approval was given by the Utah Division of Oil, Gas, and Mining, on October 26, 1978, to Atlas Minerals, Big Indian Mines, Moab, Utah to commence underground random room and pillar, uranium mining operations on portions of Sections 3 and 4, Township 31 South, Range 25 East, San Juan County, Utah. The name of the mine is the Velvet Mine, and the person representing the company in this matter is Mr. T.L. Wilson, Manager of Mines, Big Indian Mines, Moab, Utah 84532.

Atlas Minerals has fulfilled obligations under the Mined Land Reclamation Act of 1975 (Section 40-8, U.C.A., 1953, as amended), and will employ the following reclamation techniques on approximately 17.24 acres of unpatented mining claims.

During Operations:

- 1) Surface site disturbances will disturb no more than 13 acres. Development rock will be stockpiled on a designated area which will insure the integrity of the dry wash near the mine site.
- 2) Mining activity will be conducted in such a manner as to minimize visual and environmental degradation to the area.
- 3) Mining and maintenance procedures will be conducted in a safe and orderly manner.
- 4) A 4 to 5 feet diameter bore hole will be drilled at a site to be approved in the future for ventilation and escape. Disturbance will be limited to 1.25 acres.
- 5) Prior to construction, topsoil will be removed and stockpiled for future reclamation.
- 6) Removal of Pinyon and Juniper trees will be minimized.
- 7) Disturb only that area which is essential to the mining operation, stabilize and rehabilitate the area at the earliest opportunity.

After Operations:

- 1) Extraneous debris, scrap, wood, and unuseable buildings will be removed from the surface
- 2) Portals and vent shafts will be sealed to prevent unauthorized or accidental entry.

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- 3) All waste rock dumps will be regraded to a rounded naturally draining configuration and surface drainage contours will be established.
- 4) Stockpiled topsoil will be respread to an average 12 inch depth over developmental rock and gravel.
- 5) The disturbed areas will be broadcast seeded and drag-covered with a grass-shrub seed mixture.
- 6) Seeded areas will be monitored and will be fenced.
- 7) Various soil amendments and/or surface manipulations will be used if found to be effective in revegetation test plots.

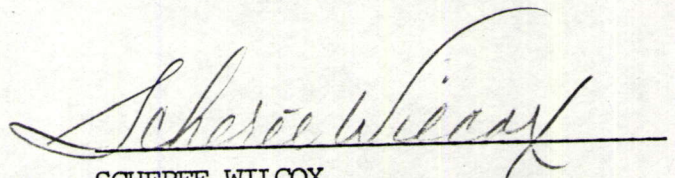
Reclamation performance surety will be established upon final approval of the mining and reclamation plan.

Any person or agency aggrieved by this tentative decision is hereby requested to submit written protest within 60 days of November 3, 1978, to the Division of Oil, Gas, and Mining 1588 West North Temple, Salt Lake City, Utah, setting forth factual reasons for his complaint, and thereafter, at a time and place heretobe established, appear before the Board of Oil, Gas, and Mining, to show cause, if any there be, why this plan should not be approved.

DATED this 27th day of October, 1978

STATE OF UTAH

BOARD OF OIL, GAS, AND MINING



SCHEREE WILCOX
Secretary of the Board